

EFFECTIVE STRATEGIES: COUNTRY BRANDING AND THE PATH TO SUCCESS FOR SMES IN ECUADOR

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Abstract

A systematic review of the production and publication of research papers related to the study of country brands and effective strategies was conducted in accordance with the PRISMA approach (Preferred Reporting Items for Systematic Reviews and Meta-Analyses). The objective of the analysis presented in this document was to ascertain the primary characteristics of the publications registered in the Scopus and WoS databases during the investigation of the proposed variables, resulting in the identification of a total of 25 publications. As a result of this preliminary identification, the results were further refined using specific keywords entered into the search function of both databases. These keywords included “country brand” and “effective strategies,” which yielded a total of seven documents, excluding duplicates and those that did not meet the established analysis criteria. The identified scientific publications were analyzed with the objective of understanding the main characteristics of research projects related to the study of strategies designed to support country brands and enhance the image of nations, foreign investment, and the strengthening of international relations for commercial purposes, such as in the tourism sector, which has traditionally been a focus of government agendas. **Keywords:** Country Brand, SMEs, Latin America, Ecuador.

1. Introduction

A fundamental aspect of a country's competitiveness is the construction and consolidation of its image in both national and international markets. The construction of a country's image necessitates the implementation of a series of strategic designs and the development of effective tools that facilitate the strengthening of international relations in economic sectors such as tourism, investment, exports, national projects, and others.

Latin American countries, such as Ecuador, have acknowledged the necessity to construct a country brand that transcends the mere description of territorial attributes. Instead, it must also focus on the creation of experiences for visitors, potential investors, and the reinforcement of economic sectors (Hudson, 2009).

In this context, the development of a robust country brand strategy would be an invaluable asset for the promotion of the Ecuadorian territory's image and reputation at the international level. A meticulously crafted country brand can effectively showcase Ecuador's distinctive attributes, including its rich cultural heritage, diverse flora and fauna, strategic geographical location, and abundant natural resources. By promoting these qualities in a comprehensive

manner, the Ecuadorian territory could enhance investment factors, stimulate tourism, and stimulate international trade.

Conversely, SMEs are of great consequence to the Ecuadorian economy, as these organizations contribute substantially to socioeconomic, labor, productive, and environmental development. From an economic standpoint, these business units enhance the social and economic conditions of the regions, industries, and geographical locations where they operate. Additionally, these organizations provide direct benefits, including customers and workers, as well as indirect benefits to suppliers and the government, which generates tax revenue for the national economy. Nevertheless, a considerable number of these SMEs encounter a multitude of challenges when attempting to compete in the context of increasingly dynamic markets. In this context, the concept of a “road to success” for SMEs in Ecuador emerges as a key consideration.

Nevertheless, Ecuadorian SMEs encounter a multitude of challenges stemming from the ramifications of globalization, heightened competition, and evolving regulations. These factors collectively pose significant hurdles for these enterprises, particularly in terms of securing financing, investing in innovation, and grappling with financial management issues. To surmount these impediments, it is imperative to optimize costs, enhance financial counsel, and devise efficacious strategies, while establishing a transparent and efficacious financial policy. Financial planning is of critical importance to the growth of SMBs, as it establishes long-term financial objectives, budgets improvements, and cash flow projections, and meticulously oversees revenues, expenses, and costs (Duque, 2020; Quisanga, 2019).

Authors such as Duque (2020) and Quisanga (2019) assert that it is crucial for SMEs to develop financial strategies with the objective of effectively managing capital and securing appropriate sources of financing. Without a well-defined management strategy for these factors, SMEs may face significant challenges in their growth and competitiveness (Baldramina, 2017; Gaytan, 2021).

In conclusion, the construction of a robust country brand and the formulation of efficacious strategies in Ecuadorian SMEs necessitate the identification of investment prospects offering positive returns, in addition to the promotion of economic growth. As SMEs are capable of expansion, acquisition of technological advancements, and the establishment of strategic alliances, they are able to enhance their competitiveness and growth.

2. General objective

The objective of this study is to analyze, from a bibliometric and bibliographic perspective, the production of research papers on the variables “country brand” and “effective strategies,” published in high-impact journals indexed in the Scopus and WoS databases during the period 2013-2023.

3. Methodology

The present research is qualitative, as defined by Hernández et al. Qualitative approaches correspond to research that employs a methodology to obtain information for review and interpretation of the results obtained in such studies. To this end, Hernández searched for information in the Scopus and WOS databases using the terms “COUNTRY BRAND,” and “EFFECTIVE STRATEGIES” (2015).

3.1 Research design

The research design proposed for this study was a systematic review, which involved a set of guidelines for analyzing the collected data. These guidelines were structured in a process that began with coding and continued through to the visualization of theories. Conversely, the text is described as a descriptive narrative, as its objective is to ascertain the impact of

the levels of the variable in question. Furthermore, it is characterized as systematic, given that, following a review of the academic material obtained from scientific journals, the theories on knowledge management were subjected to analysis and interpretation (Strauss & Corbin, 2016; Hernández, Baptista, & Fernández, 2015).

The results of this search are processed in accordance with the PRISMA technique for the identification of documentary analysis material, as illustrated in Figure 1. It was considered that the publication was released between 2013 and 2023, without differentiation according to the country of origin, the field of knowledge, or the type of publication. The following types of material were included: journal articles, reviews, book chapters, books, and so forth.

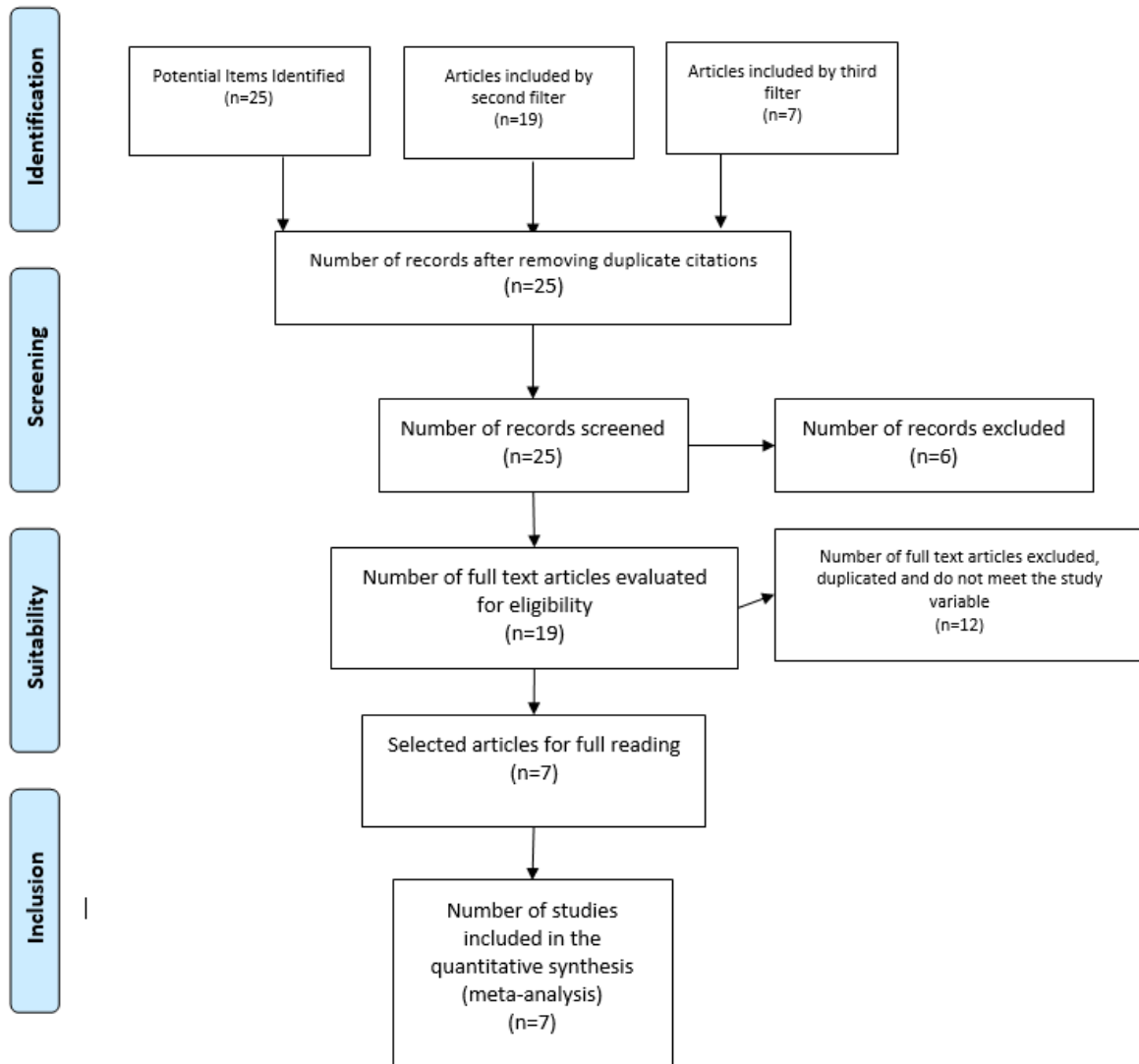


Figure 1. Flowchart of a systematic review carried out under the PRISMA technique (Moher, Liberati, Tetzlaff, Altman, & Group, 2009)

Source: Own elaboration; based on the proposal of the Prisma Group (Moher, Liberati, Tetzlaff, Altman, & Group, 2009)

4. Results

Table 1 shows the results after applying the search filters related to the methodology proposed for this research, after recognizing the relevance of each of the referenced works.

No.	RESEARCH TITLE	AUTHOR/YEAR	COUNTRY	TYPE OF STUDY	INDEXING
1	<i>Adding value to Brazilian companies through corporate social responsibility</i>	Batista, E. S., Reis, A., Bortolini, F., de Souza, M. A., Borchardt, M., & Pereira, G. M. (2017)	BRAZIL	QUALITATIVE	SCOPUS
2	<i>The law and politics of presidential term limit evasion</i>	Versteeg, M., Horley, T., Meng, A., Guim, M., & Guirguis, M. (2020).	UNITED STATES, MEXICO	QUALITATIVE	SCOPUS
3	<i>Frugality, brand attitude and purchasing behavior in green restaurants in emerging Latin American markets; [Frugality, Brand Attitude, and Buying Behavior in Organic Restaurants in Latin American Emerging Markets]</i>	Villavicencio, M. F., & Schlesinger, W. (2023).	SPAIN, ECUADOR	QUALITATIVE	SCOPUS
4	<i>Country of brand origin positioning and financial performance: effects on internationalized companies from an emerging market</i>	Porto, R. B., Gomes Akitaya, P. B., & Oliveira, D. S. (2023).	BRAZIL	QUALITATIVE	SCOPUS

5	<i>and soft landings for E-strategy franchising in emerging markets</i>	Chen, Y. S., Watson, E., & Azevedo, R. F. (2014).	FINLAND	QUANTITATIVE	SCOPUS
6	<i>Consumer ethnocentrism and purchasing intention in developing countries</i>	González-Cabrera, C., & Trelles-Arteaga, K. (2021).	ECUADOR	QUALITATIVE	WOS
7	<i>Reciprocal effect of tourist destinations on the strength of national tourism brands</i>	de Oliveira Santos, G. E., & Giraldi, J. D. M. E. (2017).	BRAZIL	QUALITATIVE	WOS

Table 1. List of articles analyzed

Source: Own elaboration

4.1 Co-occurrence of words

Figure 2 shows the relationship between the keywords used to search for the study material for the elaboration of the systematic analysis proposed for this research.

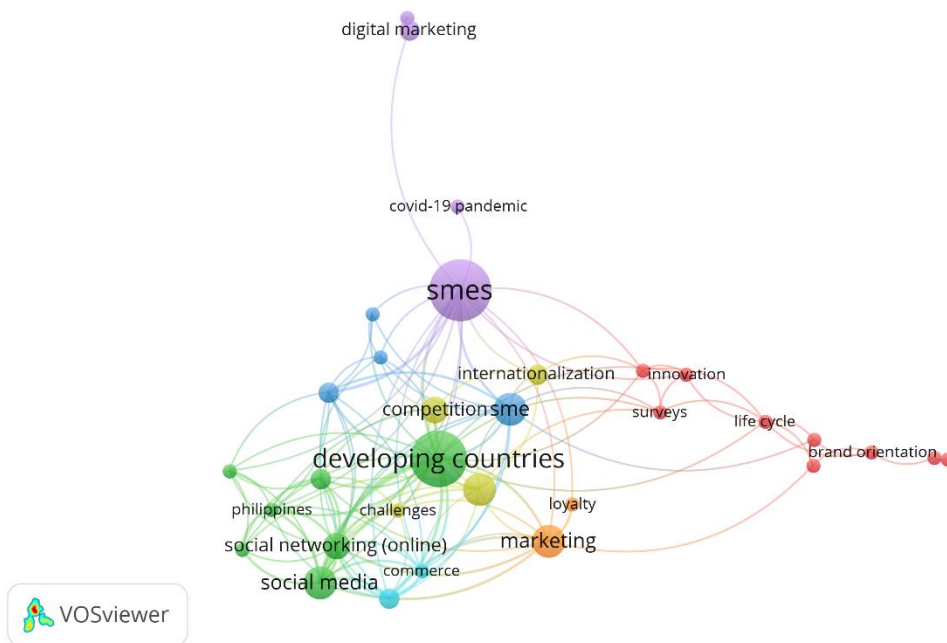


Figure 2. Co-occurrence of keywords.

Source: Own elaboration

Figure 2 illustrates the most frequently utilized keywords and their correlation with research on topics associated with the challenges of country branding and effective strategies. It can thus be asserted that SMEs represent the focal point of the research identified for analysis in this article, with direct relevance to research in Latin America, internationalization, digital marketing, the Coronavirus Pandemic, innovation, and other areas. This confirms the significance of the data analyzed in alignment with the proposed objective.

From this, it is evident that it is crucial for the SME sector in Ecuador to benefit from the available resources, enhance their financing programs, and promote marketing as an effective strategy. Nevertheless, SMEs continue to confront a multitude of obstacles. Researchers such as [5] have highlighted that these companies still lack access to financing, training, working capital, technological resources, and fair competition. These challenges have been identified in several regions of Ecuador. Conversely, it is imperative that government entities implement policies that facilitate the growth of competitiveness in this sector, enhance access to financing, and foster business collaboration networks. Such policies have the potential to exert a considerable influence on the growth and development of SMEs within the region (Gómez, 2018; Carmona, 2017).

4.2 Discussion

The objective of this article is to provide a systematic analysis of the contribution of the authors through their publications to the study of the usability issues of country brands and effective strategies. This analysis is based on research carried out in high-impact journals indexed in the Scopus and WoS databases by authors affiliated with Latin American institutions. In this way, it can be stated that the publications indicated in the body of this document have conducted research at different levels whose findings contribute to the generation of new knowledge regarding the variables proposed for this study. This is how significant contributions are identified, as contemplated in the article entitled “Positioning of the country of origin of the brand and financial performance.” The objective of this study is to ascertain whether the internationalization characteristics of firms in an emerging market (stage of internationalization of the firm and presence of a foreign sales subsidiary) serve to moderate the influence of the positioning of the home country brand on the financial performance of firms. The results of this research demonstrate that the contexts and characteristics of internationalization strategies can influence the outcomes. Therefore, it is essential to consider these factors when evaluating the effectiveness of country-of-origin brand positioning. The findings indicate that brand positioning in the country of origin is an effective strategy for internationalized companies in emerging markets, particularly for multinationals with a commercial presence in the destination country. The results demonstrate a positive impact on all three financial metrics. For exporters, this strategy is an effective means of increasing market share and return on assets. The aforementioned idea is further supported by the contribution made by the development of the article entitled “Discovering the effectiveness of anthropomorphic communication on the stereotypes of the country of origin from the perspective of psychological elements.” The objective of this study is to examine the feasibility and validity of anthropomorphic communication on social networks regarding stereotypes associated with the country of origin (COO) in the context of international competitions. The experimental results indicate that the strategy of using anthropomorphic communication has positive effects for developing countries, but not for developed countries. Furthermore, perceived social presence mediates the relationship between anthropomorphic communication and stereotypes of operations managers in developing countries. Nevertheless, the mediating effect is not evident in developed

countries. The impact of anthropomorphic communication is only effective and feasible when the mentality of individuals is global. The theoretical model presented in this article offers a valuable contribution to the existing literature on anthropomorphism and COO stereotypes. It provides a reference point for firms in developing countries to employ anthropomorphic strategies effectively in reducing negative COO stereotypes and enhancing international competitiveness. Additionally, it presents recommendations for firms in this context. In developed countries, the use of anthropomorphic communication strategies should be approached with caution. However, as any methodology is not exempt from presenting problems through its use, as demonstrated in the article “The role of the parent brand in the creation of loyalty and acceptance towards the premium extended wine brand: a transnational study.” This article aims to investigate the key characteristics of parent brands and the relationships between the value perceived by the customer (a second-order construct comprising financial, functional, individual, and social attributes), loyalty to the parent brand, and willingness to pay for a premium extended brand. Furthermore, the moderating effect of one's own brand on the model's influences is examined. Furthermore, the study revealed that the integration of the private label exerts a moderating influence on the relationship between perceived value and loyalty to the parent brand. The practical implications of this study are as follows: It is recommended that marketers and wine managers utilize recommendations to develop effective brand extension strategies. This will assist the industry in identifying the essential features of a parent brand that should be prioritized and maintained in order to facilitate sustainable development through the relationship between the customer and the extended brand. This study makes a novel contribution to the existing literature on brand extension in the context of the wine industry. Previous research has addressed wine consumption behaviors and branding strategies. By combining two existing theories (flow theory and planned behavior theory), this article puts forth a proposed sequence of behaviors designed to optimize the customer experience and develop a brand extension strategy based on the key characteristics of the parent brand (Rafael Barreiros Porto, 2023; Bai, 2023).

5. Conclusions

This review article concludes by emphasizing the importance of staying abreast of the latest developments in bibliography published in databases such as Scopus or WOS. It does so by examining the study of the usability issues of country branding and effective strategies during the period between 2013 and 2023, and how it has positively impacted country branding, in the development of effective strategies in SMEs. However, it has also been important to highlight those problems within the use of them, as identified by the authors cited here as recorded in the body of this article. The preceding bibliometric analysis leads to the conclusion that the key to the success of a country brand is the perception of a difference that improves competitiveness standards. A favorable country brand has been demonstrated to stimulate exports and investment. With regard to Ecuador, the country has made a concerted effort to actively promote its brand on the global stage. An effective country brand positioning would facilitate the efficacy of marketing and the development of effective strategies in SMEs in this territory.

The implementation of marketing would provide a differentiating factor in the critical factors of success in these business units and improve the customer experience. These are effective strategies that stimulate the growth of SMEs, as globalization and dynamic changes within companies have made it essential to connect with customers and improve productivity to achieve business goals. Conversely, it is crucial for state institutions to advocate for and

advance the role of SMEs in the enhancement and administration of these marketing instruments.

Ultimately, marketing strategies are not a mere luxury for these entrepreneurs; they are an indispensable necessity for SMEs in Ecuador. These strategies are designed to ensure success in competitive markets. Implementing an effective strategic plan enables companies to enhance their visibility and attract new customers. It also allows them to differentiate themselves from the competition, optimize their resources, and increase their technological capabilities, thereby achieving long-term sustainability and economic growth.

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